BRANDON UNIVERSITY

ANNUAL FINANCIAL REPORT

For the year ended March 31, 2006

BRANDON
UNIVERSITY

Founded 1899

2008-06359/

BRANDON UNIVERSITY

Responsibility for Financial Statements

The Office of the Vice-President (Administration & Finance) of Brandon University is responsible for the preparation and presentation of the financial statements and accompanying notes. The financial statements are prepared in conformity with the accounting policies noted in the financial statements, and are reviewed and approved by the Board of Governors. The statements are examined by the Provincial Auditor of the Province of Manitoba, whose opinion is included herein.

To fulfil its responsibility, the University maintains internal control systems to provide reasonable assurance that relevant and reliable financial information is produced.

Scott Stewart
Treasurer, Board of Governors

Scott J. B. Lamont, CGA, MBA
Vice-President (Administration & Finance)

May 10, 2006

Office of the Auditor General

500 - 330 Portage Avenue
Winnipeg, Manitoba
CANADA R3C 0C4

AUDITORS' REPORT

To the Legislative Assembly of Manitoba, and
To the Board of Governors of Brandon University

We have audited the statement of financial position of Brandon University as at March 31, 2006 and the statements of operations, changes in net assets and cash flow for the year then ended. These financial statements are the responsibility of the University's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the University as at March 31, 2006 and the results of its operations and its cash flow for the year then ended in accordance with Canadian generally accepted accounting principles.

Winnipeg, Manitoba
May 10, 2006

Jon W. Singleton, CA•CISA
Auditor General

Brandon University

Statement of Financial Position
as at March 31, 2006

ASSETS

	2006	2005
Current Assets		
Cash and cash equivalents (note 3)	$ 4,574,416	$ 5,134,677
Accounts receivable	3,411,211	2,892,607
Inventory	429,030	399,124
Prepaid expenses	307,076	200,849
	8,721,733	8,627,257
Loan receivable (note 8)	43,560	50,556
Investment in Subsidiary Company (notes 2E and 10)	1	1
Capital Assets and Collections (notes 2F and 6)	41,466,193	41,801,628
	$ 50,231,487	$ 50,479,442

LIABILITIES & NET ASSETS

	2006	2005
Current Liabilities		
Accounts payable and accrued liabilities	$ 3,417,483	$ 3,912,034
Deferred income	304,233	228,927
Deferred contributions (note 7)	2,355,353	2,699,202
Current portion of long term debt (note 12)	97,990	92,097
	6,175,059	6,932,260
Long term Liability		
Mortgages payable (note 12)	1,530,405	1,628,394
Unamortized Deferred Capital Contributions (note 7)	33,717,703	34,285,765
Net Assets		
Unrestricted net assets	2,192,761	1,319,145
Internally restricted net assets (note 5)	495,462	518,505
Investment in capital assets and collections	6,120,097	5,795,373
	8,808,320	7,633,023
	$ 50,231,487	$ 50,479,442

Approved by the Brandon University
Board of Governors on June 22, 2006

Treasurer

Vice-President (Administration & Finance)

The accompanying notes are an integral part of these financial statements.

Brandon University

Statement of Changes in Net Assets
for the year ended March 31, 2006

	Unrestricted Net Assets	Internally Restricted Net Assets	Investment in Capital Assets and Collections	Total 2006	Total 2005
Balance, beginning of year	$ 1,319,145	$ 518,505	$ 5,795,373	$ 7,633,023	$ 6,561,433
Reclassify account balances					5,915
Restated balance, beginning of year	1,319,145	518,505	5,795,373	7,633,023	6,567,348
Excess of revenues over expenses	1,142,033			1,142,033	908,967
Direct increases to net assets					
Donations of capital assets			33,264	33,264	15,819
Contribution of capital assets					140,889
Transfers					
Internally funded					
Capital asset additions	(1,402,754)		1,402,754		
Capital asset disposals (net)	4,090		(4,090)		
Amortization	1,199,301		(1,199,301)		
Repayment of long term debt	(92,097)		92,097		
Allocation to internally restricted net assets	(97,525)	97,525			
Internally restricted net asset purchases	120,568	(120,568)			
Balance, end of year	$ 2,192,761	$ 495,462	$ 6,120,097	$ 8,808,320	$ 7,633,023

The accompanying notes are an integral part of these financial statements.

Brandon University

Statement of Operations
for the Year Ended March 31, 2006

	2006	2005
Revenues		
Tuition fees and other student fees	$ 9,887,643	$ 10,133,679
Grants		
Council on Post-Secondary Education	26,876,891	25,318,225
Province of Manitoba	420,029	140,914
Government of Canada	1,914,228	1,363,251
Sales of goods and services	5,963,612	5,685,531
Brandon University Foundation	1,785,291	1,327,945
Amortization of deferred capital contributions	1,617,527	1,627,430
Gain on disposal of capital assets		280
Miscellaneous	781,544	838,652
	49,246,765	46,435,907
Expenses		
Salaries - academic	16,892,662	16,371,178
Salaries - support	11,137,176	10,485,023
Benefits	4,229,867	4,263,798
Travel	1,723,307	1,499,806
Supplies and other expenses	6,378,312	5,320,458
Property taxes	499,893	835,108
Utilities	1,348,042	1,077,150
Cost of goods sold	1,923,986	1,874,427
Scholarships and bursaries	980,786	790,349
Interest on long term debt	124,490	130,010
Amortization expense	2,816,828	2,852,611
Loss on disposal of capital assets	999	
Increase in amount of accrued expenses	48,384	27,022
	48,104,732	45,526,940
Excess of revenues over expenses	$ 1,142,033	$ 908,967

The accompanying notes are an integral part of these financial statements.

Brandon University

Statement of Cash Flow
for the Year Ended March 31, 2006

	2006	2005
Cash Provided By (Used In) Operating Activities		
Excess of revenues over expenses	$ 1,142,033	$ 908,967
Items not affecting cash flow		
Amortization of deferred capital contributions	(1,617,527)	(1,627,430)
Amortization of capital assets	2,816,828	2,852,611
Loss/(gain) on disposal of capital assets	999	(280)
Increase in non-cash operating working capital	(1,417,831)	(990,477)
	924,502	1,143,391
Cash Provided By (Used In) Investing Activities		
Decrease in loan receivable	6,996	30,746
Capital asset additions	(2,485,483)	(2,471,796)
Proceeds on disposal of capital assets	3,092	1,214
	(2,475,395)	(2,439,836)
Cash Provided By (Used In) Financing Activities		
Long term debt repayments	(92,097)	(86,578)
Capital contributions received	1,082,729	1,156,493
	990,632	1,069,915
Decrease in cash and cash equivalents	(560,261)	(226,530)
Cash and cash equivalents, beginning of year	5,134,677	5,361,207
Cash and cash equivalents, end of year	$ 4,574,416	$ 5,134,677

The accompanying notes are an integral part of these financial statements.

Brandon University

Notes to the Financial Statements
for the year ended March 31, 2006

1. Authority and Purpose

Brandon University operates under the authority of the Brandon University Act of the Province of Manitoba. Brandon University offers undergraduate programs in arts, science, education, music, and health studies; and offers graduate programs in education, music and rural development. The University is a registered charity and is exempt from the payment of income taxes.

2. Summary of Significant Accounting Policies and Reporting Practices

A. General

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles for not-for-profit organizations.

B. Revenue Recognition

Operating grants are recognized as revenue in the period received. Revenues received for the provision of goods and services are recognized in the period in which the goods are provided or the services rendered or substantially rendered and collection is reasonably assured.

The University accounts for contributions using the deferral method. Deferred contributions are externally restricted non-capital contributions which are deferred and are recognized as revenue in the period in which the related expenses are incurred. Externally restricted amounts can only be used for the purposes designated by external parties.

Externally restricted contributions for the acquisition of capital assets having limited lives are recorded as deferred capital contributions in the period in which they are received and, when expended, are transferred to unamortized deferred capital contributions. Unamortized deferred capital contributions are recognized as earned revenue in the periods in which the related amortization expense of the funded capital asset is recorded.

C. Short Term Investments

Short term investments are recorded at cost and are unspent operating, capital and restricted funds that are invested to generate income used to fund general operations of the University. Short term investments also includes a mutual fund that provides a benefit provision for a former WESTARC employee as a part of that individual's contract of employment.

D. Brandon University Foundation

Funds transferred from the Brandon University Foundation to the University are recorded as revenue in the period they were received by the University.

The accounts of the Brandon University Foundation do not form part of the financial statements of the University. The financial statements of the Foundation are audited on an annual basis.

E. Investment in Subsidiary Companies

The University accounts for its investment in the subsidiary companies in accordance with a modification of the equity method. Under this method, contributions to the subsidiary companies and earnings of the subsidiary companies are added to the investment in the subsidiaries. Dividends received from the subsidiary companies are deducted from the investment in the subsidiaries. The income or losses of the subsidiaries are included in the statement of operations.

F. Capital Assets and Collections

Capital assets purchased by the University are recorded at cost. Donated assets are recorded at the fair market value on the date received. On the disposition of a capital asset, both the cost and any accumulated amortization are removed from the accounts.

Capital assets are amortized on a straight line basis over the estimated useful lives of the assets. Amortization rates are as follows:

Buildings	50 years
Furnishings and equipment	10 years
Computer equipment	5 years
Vehicles	5 years
Library collections	10 years

The capital assets include collections of works of art, gemstones and rare books which have been donated to the University. These collections are not amortized.

G. Inventory

Inventories are valued at the lower of cost and net realizable value.

H. Pension Plans

The University contributes to the Brandon University Retirement Plan which is a trustee-administered pension plan for University employees. Contributions by the University are recorded as expenses.

The accounts of the Brandon University Retirement Plan do not form part of the financial statements of the University. The Auditor General audits the financial statements of the Plan.

I. Use of Estimates

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Significant areas requiring the use of management estimates relate to the allowance for doubtful accounts and determination of useful lives of capital assets for amortization. Actual results could differ from these estimates.

3. Cash and Cash Equivalents

Cash and cash equivalents are summarized as follows:

	2006	2005
Cash	$ 1,827,047	$ 1,883,351
Short term investments	2,700,371	3,204,328
Mutual funds	46,998	46,998
	$ 4,574,416	$ 5,134,677

The fair market value of the short term investments and mutual funds is $2,767,415 (2005 -$ 3,265,159).

4. Brandon University Foundation

The Brandon University Foundation operates under the authority of the Brandon University Foundation Act. The Foundation is dedicated to promoting the advancement of higher education at Brandon University and improving the quality of its facilities and activities by raising funds for future operation and capital expenditures, research and student awards.

Brandon University Foundation is not a controlled entity of Brandon University however, in the event of the dissolution of the Foundation, after the payment of all debts and liabilities, any remaining rights, property and assets of the Foundation shall be transferred or assigned to Brandon University as long as it is at that time a charitable, non-profit corporation.

The Foundation follows the deferral method of accounting for contributions. The investments of the Foundation are recorded at cost. The financial position of the Foundation as at December 31 is summarized as follows:

Statement of Financial Position

	2005	2004
Assets	$ 27,553,976	$ 25,872,946
Liabilities	$ 1,124,044	$ 808,080
Deferred contributions	2,482,454	2,266,347
Net Assets		
Unrestricted and internally restricted net assets	131,010	165,039
Endowment funds	23,816,468	22,633,480
	23,947,478	22,798,519
Total Liabilities and Net Assets	$ 27,553,976	$ 25,872,946

Statement of Operations

	2005	2004
Revenue		
Investment income	$ 666,076	$ 662,048
Donations	748,507	400,566
Other contributions	259,184	144,811
	1,673,767	1,207,425
Expense		
Grants to Brandon University	980,768	541,950
Scholarships and bursaries	711,693	584,924
Other expenses	38,242	29,477
	1,730,703	1,156,351
Net income/(loss) for the year	$ (56,936)	$ 51,074

The results of the transactions from January 1, 2006 to March 31, 2006 was net income of $288,757 (2005 - $16,701).

The value of outstanding pledges to the Foundation as at March 31, 2006 is $ 870,008 (2005 - $ 260,821). These will be recorded as revenue by the University when transferred to the University from the Foundation.

5. Internally Restricted Net Assets

Internally restricted net assets represent amounts set aside by the University for the following specific purposes:

	Opening Balance	Current Provision	Purchases	2006 Closing Balance
Ancillary enterprises	$ 247,467	$ 50,100	$ (3,100)	$ 294,467
Building renovations	160,186		(71,296)	88,890
Facility & Wellness Fee	24,037	(175)		23,862
Mail/Print services	1,350			1,350
Telephone replacement	71,556	47,600	(46,172)	72,984
Vehicle replacement	13,909			13,909
	$ 518,505	$ 97,525	$ (120,568)	$ 495,462

6. Capital Assets and Collections

	Cost	Accumulated Amortization	2006 Net Book Value	2005 Net Book Value
Land	$ 500,530	$	$ 500,530	$ 500,530
Buildings	63,678,573	(31,855,819)	31,822,754	32,922,432
Furniture and equipment	17,260,575	(11,451,046)	5,809,529	5,149,752
Library collections	7,415,267	(5,226,963)	2,188,304	2,117,103
Collections	1,145,076		1,145,076	1,111,811
	$ 90,000,021	$(48,533,828)	$ 41,466,193	$ 41,801,628

Capital asset additions during the year included donations in kind in the amount of $ 33,264 (2005- $ 15,819).

7. Deferred Contributions and Unamortized Deferred Capital Contributions

Deferred contributions represent contributions received for special purposes and unspent funds for restricted purposes. Unamortized deferred capital contributions represent the funded portion of capital assets which will be recognized as revenue in future periods and matched against the applicable amortization charged in that period. Changes in the deferred contributions and unamortized deferred capital contributions balances are as follows:

	2006 Deferred Contributions	2006 Unamortized Deferred Capital Contributions	2005 Deferred Contributions	2005 Unamortized Deferred Capital Contributions
Balance, beginning of year	$ 2,699,202	$ 34,285,765	$ 2,654,653	$ 34,772,521
Contributions received	7,369,601		7,603,200	
Transfers to revenue				
Tuition, grants and contributions	(6,663,985)		(6,417,977)	
Amortization of assets acquired from capital assets		(1,617,527)		(1,627,430)
Transferred to acquire capital assets	(1,049,465)	1,049,465	(1,140,674)	1,140,674
Balance, end of year	$ 2,355,353	$ 33,717,703	$ 2,699,202	$ 34,285,765
Balance consists of:				
Research	$ 2,006,055		$ 2,017,424	
Special programs	349,298		681,778	
	$ 2,355,353		$ 2,699,202	

8. Loan Receivable

The University issued a loan of $96,240 to Bran-U-Day Care Inc. on April 1, 1995 to cover the remaining debt on the building. The terms are weekly installments of $173.73 continuing weekly up to and including the 1st day of June, 2009. The rate of interest for this 5 year period is the 5-year variable rate charged by CIBC to residential customers.

The loan receivable as at March 31, 2006, was $ 43,560 (2005- $50,556).

9. Pension Plans

The Brandon University Retirement Plan is a final average contributory defined benefit pension plan established April 1, 1974 for the benefit of the employees of Brandon University. The assets of the Plan are held by CIBC Mellon Global Securities Services Company in the name of ten trustees - eight elected by and from the Plan membership and two appointed by the Board of Governors. The trustees oversee the administration of the Plan and set forth the investment guidelines. Their obligations and responsibilities are defined in a trust agreement with Brandon University. Connor, Clark & Lunn Investment Management Ltd. invests the Plan assets according to an agreement with the trustees and as required by law. The Plan is registered with the Pension Commission of Manitoba and meets the requirements of the Pension Benefits Act of Manitoba. Unless otherwise stated, all Brandon University employees are eligible to become members of the Plan on their date of employment. Full-time and certain part-time employees are required to join the Plan. Membership is optional for other part-time and certain specified employees. The Plan receives its funds from the contributions of members, the required and special contributions of Brandon University and the income from investments.

Actuarial valuations of the Brandon University Retirement Plan are carried out every three years and provide an estimate of the accrued pension benefits. The actuarial present value of accrued pension benefits was determined using the accrued benefit method prorated on service and using assumptions recommended by the actuary and approved by the Trustees. Based on the latest actuarial valuation of the plan conducted by Eckler Partners Ltd., a firm of consulting actuaries, as at December 31, 2003 the accrued pension benefits were $75,209,000. This valuation established a Plan surplus of $2,830,000 using the accrued benefit method as at that date. The next actuarial valuation is required as at December 31, 2006 and will be completed in 2007.

The actuarial present value of pension benefits as at December 31, and the principal components of changes in the actuarial present values during the year, were as follows:

	(in thousands of dollars) 2005	2004
Actuarial present value of accrued pension benefits, beginning of year	$ 79,492	$ 75,209
Interest accrued on benefits	4,746	4,506
Benefits accrued	3,173	3,037
Benefits paid	(3,958)	(3,260)
Actuarial present value of accrued pension benefits, end of year	$ 83,453	$ 79,492

The assumptions used in determining the actuarial value of accrued pension benefits were developed by reference to expected long-term market conditions. Significant actuarial assumptions used in the valuation at December 31, 2003 were:

Rate of return on investments	-pre-retirement	6%
	-post-retirement	6%
Rate of salary increases		4%

The actuarial value of net assets available for pension benefits has been determined at amounts that reflect long-term market trends (consistent with the assumptions underlying the valuation of accrued pension benefits). The valuation is based on a four-year moving average market method. Under this method, the market value is the underlying basis, and gains or losses are amortized over a four year period.

The actuarial values of net assets as at December 31 were:

	(in thousands of dollars) 2005	2004
Market value of net assets available for pension benefits	$ 92,509	$ 83,632
Market value changes not reflected in the actuarial value of net assets	(9,551)	(4,560)
Actuarial value of net assets available for pension benefits	$ 82,958	$ 79,072

Pension contributions by the University for the year ended March 31, 2006 were $ 1,608,522 (2005 - $ 1,493,015).

10. Investment in Subsidiary Companies

Brandon University Holding Company Limited was incorporated in 1985 as a wholly-owned subsidiary company of Brandon University. The Holding Company was established for the purpose of holding shares in subsidiary companies.

WESTARC Group Inc., a wholly-owned subsidiary company of Brandon University Holding Company Limited, was incorporated in 1985. As of March 31, 2004, WESTARC Group Inc. was no longer an active company and the investment in Brandon University Holding Company Limited was transferred to Brandon University.

11. Accrued Expenses

The following expenses have been accrued and will be funded from future revenues:

	2006	2005
Unfunded employee vacation accruals	$ 667,455	$ 639,315
Unfunded employee future benefits	810,000	704,000
Unfunded property taxes	49,972	135,728
	$ 1,527,427	$ 1,479,043

12. Long Term Liability - Mortgages Payable

	2006	2005
Canada Mortgage and Housing Corporation 5 1/8% mortgage, $41,608 combined principal and interest payable semi-annually July 1 and January 1 to 2012.	$ 455,144	$ 512,807
Canada Mortgage and Housing Corporation 8 1/4% mortgage, $66,686 combined principal and interest payable semi-annually April 1 and October 1 to 2021.	1,173,251	1,207,684
	1,628,395	1,720,491
Current portion of long term debt	97,990	92,097
	$ 1,530,405	$ 1,628,394

Principal payments in the next five years are as follows:

2007	$ 97,990
2008	$ 104,282
2009	$ 111,001
2010	$ 118,181
2011	$ 125,852

13. Brandon Centennial Auditorium Corporation Inc.

Under an arrangement between the University, the Province of Manitoba and the City of Brandon, the University built an Auditorium on its property for the benefit of the citizens of Western Manitoba. The expenditures for the building and furnishings were financed from contributions by the Governments of Canada and Manitoba, the City of Brandon and citizens through fundraising campaigns.

The Auditorium has been leased to the Brandon Centennial Auditorium Corporation Inc. for a nominal consideration of $1 under a 99 year lease which expires 2064 A.D. The University is reimbursed for services supplied to the auditorium as required by the agreement.

14. Knowles-Douglas Student Union Centre

The Knowles-Douglas Student Union Centre has been leased to the Knowles- Douglas Student Union Centre Inc. for the nominal consideration of $1 per year under a 50 year lease which expires 2035 A.D. The University supplies certain services to the Centre as required by the lease.

15. Commitments

An agreement between the University and the Brandon University Students' Union Inc. provides for the equal sharing of profits of the University's bookstore operations. The Students' Union share of profits amounted to $73,850 for the year ended March 31, 2006 (2005 - $82,505).

16. Employee Future Benefits

The University provides severance and retiring allowance benefits based on length of service and final earnings, payable on retirement. Accounting standards require the recognition of a liability and an expense for such employee future benefits in the period in which the employee renders service in return for the benefits. The recognition date for rendered service begins on the hiring date or the date when credited service begins, and runs until the date when full eligibility is attained. The cost of these future benefits earned by employees is determined by an actuary using the projected benefit method pro rated on service and management's best estimates for the discount rate for liabilities, the rate of salary escalation and the retirement ages of employees. The discount rate used to determine the accrued benefit obligation was determined by reference to market interest rates at the measurement date on high-quality debt instruments with cash flows that match the timing and amount of expected benefit payments. There are no assets supporting the plan benefits.

The transitional obligation arising from the adoption of the accounting standard was fully recognized as at the adoption date of April 1, 2000. Subsequent actuarial gains or losses are fully recognized in the year immediately following the year in which they arise. The most recent actuarial valuation was as at March 31, 2005 with the next valuation due at at March 31, 2009.

The accrued benefit liability for employee future benefits is reported in the University's Statement of Financial Position under Accounts payable and accrued liabilities.

Information about the University's employee future benefits is as follows:

	2006	2005
Net benefit cost	$ 180,000	$ 68,000
Accrued benefit obligation	810,000	704,000
Accrued benefit liability	788,000	615,000
Unamortized actuarial loss	(22,000)	(89,000)
Employer's contributions	58,000	78,000
Benefits paid	58,000	78,000

The significant actuarial assumptions adopted in measuring the University's accrued benefit liability and benfit costs are as follows:

	2006	2005
Discount rate	5.0%	6.0%
Rate of compensation increase		
IUOE(A)	3.0%	3.0%
IUOE(D)	5.0%	5.0%
MGEU	5.0%	5.0%
Exempt MPO	7.5%	7.5%
Exempt ESS	5.0%	5.0%

17. Financial Instruments

The financial instruments of the University consist of cash and cash equivalents, accounts receivable, long-term investments, accounts payable and long-term debt. Unless otherwise noted, it is management's opinion that the University is not exposed to significant interest, currency or credit risks arising from these financial instruments.

18. Change in Accounting Policy

In previous years the amount of the Trust and Endowment Funds held by Brandon University Foundation has been reported in the Statement of Financial Position. A decision was made that since the Brandon University Foundation is not a controlled entity of the University, the Trust and Endowment funds will no longer be reported in the Statement of Financial Position but will be disclosed in Note 4.

As a result of this change in policy, both the Assets and the Liabilities & Net Assets of the University reported as of March 31 decreased by $24,997,468 in the current year (2005 - $23,665,172).

19. Restatement of Accounts

Comparative figures for the year ended March 31, 2005 have been restated where necessary to conform with the presentation adopted for the year ended March 31, 2006.

Brandon University

Additional Financial Information
for the year ended March 31, 2006

The foregoing consolidated financial statements and accompanying notes to the financial statements have been audited by the Auditor General for Manitoba and are the subject of the audit report dated May 10, 2006.

The following schedules 1 through 8 have been prepared to provide additional information and are not covered in the Auditor's report. The information in schedule 7 is used for the program costing calculations.

Schedule 1
(unaudited)

Brandon University

Detailed Schedule of Operations - Unrestricted
for the Year Ended March 31, 2006

	General Operating	Ancillary Services	Total 2006	Total 2005
REVENUES				
Tuition and other student fees	$ 8,683,632	$	$ 8,683,632	$ 8,682,141
Grants - Council on Post-Secondary Education	23,739,167	216,588	23,955,755	22,361,501
Government of Canada	77,273		77,273	
Sales of goods and services		4,724,505	4,724,505	4,805,975
Brandon University Foundation	1,785,291		1,785,291	1,327,945
Amortization of deferred capital contributions	1,617,527		1,617,527	1,627,430
External cost recoveries	1,239,107		1,239,107	879,556
Internal cost recoveries	111,429		111,429	128,956
Gain on disposal of capital assets				280
Miscellaneous	412,457		412,457	371,475
	37,665,883	4,941,093	42,606,976	40,185,259
EXPENSES				
Salaries - academic	15,090,092		15,090,092	14,478,279
Salaries - support	8,241,143	906,521	9,147,664	8,647,060
Benefits	3,599,699	147,136	3,746,835	3,726,621
Travel	995,501		995,501	837,123
Supplies and other expenses	3,850,014	891,429	4,741,443	4,000,532
Property taxes	499,893		499,893	835,108
Utilities	942,523	405,519	1,348,042	1,077,150
Cost of goods sold		1,923,986	1,923,986	1,874,427
Scholarships and bursaries	980,786		980,786	790,349
Interest on long term liabilities		124,490	124,490	130,010
Amortization	2,816,828		2,816,828	2,852,611
Loss on disposal of capital assets	999		999	
Net increase in accrued vacation pay	28,140		28,140	27,545
Net increase in accrued future employee benefits	106,000		106,000	71,000
Net decrease in accrued property taxes	(85,756)		(85,756)	(71,523)
	37,065,862	4,399,081	41,464,943	39,276,292
Excess of revenues over expenses	$ 600,021	$ 542,012	$ 1,142,033	$ 908,967

Schedule 2
(unaudited)

Brandon University

Detailed Schedule of Operations - Restricted
for the Year Ended March 31, 2006

	Research & Special Projects	Special Programs	Restricted Capital	Total 2006	Total 2005	Deferred Contributions 2006	Deferred Contributions 2005	Transfer To Statement of Operations 2006	Transfer To Statement of Operations 2005
Revenues									
Tuition fees	$	$ 1,204,011	$	$ 1,204,011	$ 1,451,538	$	$	$ 1,204,011	$ 1,451,538
Grants									
COPSE	1,093,700	1,523,200	495,734	3,112,634	3,232,991	(191,498)	(276,267)	2,921,136	2,956,724
Province of Manitoba	487,632			487,632	621,278	(67,603)	(480,364)	420,029	140,914
Government of Canada	2,153,073			2,153,073	1,692,211	(316,118)	(328,960)	1,836,955	1,363,251
Miscellaneous	412,251			412,251	605,182	(43,164)	(138,005)	369,087	467,177
	4,146,656	2,727,211	495,734	7,369,601	7,603,200	(618,383)	(1,223,596)	6,751,218	6,379,604
Expenses									
Salaries - academic		1,802,570		1,802,570	1,892,899			1,802,570	1,892,899
Salaries - support	1,703,183	286,329		1,989,512	1,837,963			1,989,512	1,837,963
Benefits	192,558	290,474		483,032	537,177			483,032	537,177
Travel	384,069	343,737		727,806	662,683			727,806	662,683
Supplies and other expenses	1,431,356	316,942		1,748,298	1,448,882			1,748,298	1,448,882
	3,711,166	3,040,052		6,751,218	6,379,604			6,751,218	6,379,604
Excess/(deficit) of revenues over expenses	$ 435,490	$ (312,841)	$ 495,734	$ 618,383	$ 1,223,596	$ (618,383)	$ (1,223,596)	$ -	$ -

Schedule 3
(unaudited)

Brandon University

Deferred Contributions and Unamortized Deferred Capital Contributions
for the Year Ended March 31, 2006

	Research & Special Projects	Special Programs	Restricted Capital	Total 2006	Total 2005	Unamortized Deferred Capital Contributions 2006	Unamortized Deferred Capital Contributions 2005
Contributions received							
Tuition and related fees	$	$ 1,204,011	$	$ 1,204,011	$ 1,451,538	$	$
Grants	3,734,405	1,523,200	495,734	5,753,339	5,546,480		
Miscellaneous	412,251			412,251	605,182		
Expenses	(3,711,166)	(3,040,052)		(6,751,218)	(6,379,604)		
Transfers from/to:							
Unrestricted accounts	87,233			87,233	(38,373)		
Capital aquisitions	(534,092)	(19,639)	(495,734)	(1,049,465)	(1,140,674)	1,049,465	1,140,674
Amortization of deferred capital contributions						(1,617,527)	(1,627,430)
	(11,369)	(332,480)		(343,849)	44,549	(568,062)	(486,756)
Deferred balance, beginning of year	2,017,424	681,778		2,699,202	2,654,653	34,285,765	34,772,521
Deferred balance, end of year	$ 2,006,055	$ 349,298	$ -	$ 2,355,353	$ 2,699,202	$ 33,717,703	$ 34,285,765

Schedule 4
(unaudited)

Brandon University

Schedule of Investment in Capital Assets and Collections
for the Year Ended March 31, 2006

	Total 2006	Total 2005
Balance, beginning of year	$ 5,795,373	$ 5,462,899
Internally funded capital asset additions		
General operating funds		
Land and buildings	329,256	41,066
Furniture and equipment	520,994	770,582
Library acquisitions	437,227	564,849
Ancillary services		
Furniture and equipment	115,277	79,695
	1,402,754	1,456,192
Non-amortizable capital asset donations	33,264	15,819
Disposals (net) - internally funded capital assets	(4,090)	(934)
Amortization of internally funded capital assets	(1,199,301)	(1,225,181)
Repayment of long term debt	92,097	86,578
Balance, end of year	$ 6,120,097	$ 5,795,373

Schedule 5
(unaudited)

Brandon University

Schedule of Operating Grants and Other Revenues
for the Year Ended March 31, 2006

	Total 2006	Total 2005
Grants		
Council on Post Secondary Education		
Operating	23,164,212	21,546,012
Renovations and equipment	330,000	330,000
	23,494,212	21,876,012
Brandon University Foundation	448,628	429,189
Miscellaneous		
Rentals	7,001	22,001
Sundry	132,622	115,907
Interest income	152,936	130,512
	292,559	268,420
Total Operating Grants and Other Revenues	$ 24,235,399	$ 22,573,621

Schedule 6
(unaudited)

Brandon University

Detailed Schedule of Tuition and Other Student Fee Revenues
for the Year Ended March 31, 2006

	Total 2006	Total 2005
Tuition Fees		
Undergraduate courses		
Regular session	$ 7,461,646	$ 7,345,479
Spring session	249,858	232,899
Summer session	86,480	83,361
Campus Manitoba	117,401	89,372
	7,915,385	7,751,111
Graduate courses	228,737	290,253
Music Conservatory	385,350	370,884
Other student fees	154,160	269,893
Total Tuition and Other Student Fee Revenues	$ 8,683,632	$ 8,682,141

BRANDON UNIVERSITY

**Detailed Schedule of Operating Expenses
for the Year Ended March 31, 2006**

	Academic	Support	Benefits	Travel	Supplies & Other Expenses	Deduct: Cost Recoveries	Total March 31, 2006	Total March 31, 2005
Faculty of Arts								
Office of the Dean	239,074	158,842	49,449	30,999	77,530	2,832	553,062	626,228
Drama	79,858		11,909	1,426	764		93,957	107,824
Economics	211,004		35,893	3,402	1,203		251,502	243,818
English	384,452	62	60,627	8,094	3,954	160	457,029	406,245
History	360,770		49,386	7,132	3,158		420,446	397,794
Languages	261,906		41,161	6,948	2,307		312,322	280,587
Gender & Women's Studies					51		51	131
Philosophy	236,352		33,969	8,407	2,112	192	280,648	291,191
Political Science	242,667		30,754	1,845	720		275,986	269,009
Religion	193,239		28,489	6,447	1,450		229,625	243,004
Sociology	340,649		48,861	7,403	2,543		399,456	411,906
Native Studies	228,794		39,751	3,806	3,020		275,371	560,352
Business Administration	222,990		37,004	1,484	3,188		264,666	248,556
Fine Arts	199,221	733	30,714	18,984	110,523	13,600	346,575	263,555
Anthropology	300,487		34,851	7,496	1,305	180	343,959	29,950
Rural Development	256,139		37,943	2,701	2,022		298,805	291,817
Archeology Field School		3,494	317	1,202	6,205	3,356	7,862	7,123
Cost Recovery	206,403		18,583		600	800	224,786	94,513
	3,964,005	163,131	589,661	117,776	222,655	21,120	5,036,108	4,773,603
Faculty of Science								
Office of the Dean	100,493	149,497	44,109	47,276	54,109	450	395,034	314,459
Applied Disaster & Emergency Studies	144,655	74	23,210	6,517	9,860		184,316	214,378
Botany	334,927	6,747	50,800	4,256	18,150	1,141	413,739	433,412
Chemistry	362,682	11,440	56,171	7,368	25,020	14,587	448,094	464,947
Environmental Science	87,143		12,679	2,059	1,208		103,089	95,328
Geography	452,999	8,936	69,412	9,328	28,216	6,461	562,430	519,547
Geology	319,997	4,220	56,778	8,403	13,377	1,508	401,267	432,846
Mathematics/Comp. Sci.	775,516	16,821	115,950	7,135	18,781		934,203	898,684
Physics/Astronomy	359,355	2,274	56,997	9,864	22,346	620	450,216	529,058
Psychology	591,745	13,668	90,541	7,851	13,083	200	716,688	768,047
Zoology	478,047	10,234	70,416	11,450	22,628	1,200	591,575	581,072
Cost Recovery	45,176	312	3,265		4		48,757	28,437
	4,052,735	224,223	650,328	121,507	226,782	26,167	5,249,408	5,280,215
School of Health Studies								
Office of the Dean	101,753	40,814	20,923	52,434	142,148	155	357,917	249,748
Psychiatric Nursing	1,223,658	36,970	203,525	17,786	79,208	1,590	1,559,557	1,490,953
Bachelor of Nursing	870,268	73,744	154,181	6,164	34,326	410	1,138,273	764,231
Cost Recovery	40,252		3,032				43,284	
	2,235,931	151,528	381,661	76,384	255,682	2,155	3,099,031	2,504,932

Schedule 7
(unaudited)

BRANDON UNIVERSITY

Detailed Schedule of Operating Expenses
for the Year Ended March 31, 2006

	Academic	Support	Benefits	Travel	Supplies & Other Expenses	Deduct: Cost Recoveries	Total March 31, 2006	Total March 31, 2005
Faculty of Education								
Office of the Dean	248,362	138,813	54,873	39,787	8,543	451	489,927	469,959
Field Experience	246,647	37,857	30,674	29,000	13,978	2,980	355,176	262,633
Educational Foundations	390,405		50,956	675	5,680	1,870	445,846	408,456
Humanities	397,307		56,909		5,926	866	459,276	499,711
Mathematics & Science	324,577		42,029		4,745	692	370,659	453,328
Administrative Services	301,540		37,420	37	2,645		341,642	336,985
Physical Education	420,509		69,337	216	22,908	6,958	506,012	503,842
Joint Music Education					162		162	100
Graduate Studies	69,866	371	5,927	1,998	5,469	877	82,754	80,074
Cost Recovery	47,192		3,599	1,277	2,150	95	54,123	42,999
	2,446,405	177,041	351,724	72,990	72,206	14,789	3,105,577	3,058,087
School of Music	1,624,507	130,676	244,641	70,229	169,281	53,095	2,186,239	2,149,907
Cost Recovery		899	74				973	8,554
	1,624,507	131,575	244,715	70,229	169,281	53,095	2,187,212	2,158,461
First Nations Counselling	219,168	37,283	40,946	9,744	28,577		335,718	342,796
Cost Recovery	3,123		293	208	10,723	5,500	8,847	5,121
	222,291	37,283	41,239	9,952	39,300	5,500	344,565	347,917
Music Conservatory	346,984	30,059	4,883	554	15,314	460	397,334	379,834
Total Academic	14,892,858	914,840	2,264,211	469,392	1,001,220	123,286	19,419,235	18,503,049
Library Services		1,107,554	184,914	15,661	288,909	72,989	1,524,049	1,418,502
Student Services								
Student Services		1,221,139	198,034	38,085	74,276	20,230	1,511,304	1,300,948
Athletic Programs		301,807	40,961	222,190	250,877	252,743	563,092	353,155
		1,522,946	238,995	260,275	325,153	272,973	2,074,396	1,654,103
Administration								
Board of Governors		32,241	5,126	1,623	11,234		50,224	53,456
President		383,878	41,591	18,068	108,364		551,901	434,309
Vice-President (Administration & Finance)		168,342	24,773	7,752	18,310		219,177	212,786
Vice-President (Academic & Research)		267,539	35,000	13,203	27,341	6,522	336,561	277,163
		852,000	106,490	40,646	165,249	6,522	1,157,863	977,714

Schedule 7
(unaudited)

BRANDON UNIVERSITY

Detailed Schedule of Operating Expenses
for the Year Ended March 31, 2006

	Academic	Support	Benefits	Travel	Supplies & Other Expenses	Deduct: Cost Recoveries	Total March 31, 2006	Total March 31, 2005
General Support								
Chancellor/Senate		222,667	35,761	657	33,701	2,010	290,776	282,425
Convocation		3,103	303	28,131	5,281	1,761	35,057	23,293
Information Technology Services		560,727	98,935	3,131	282,163	359,373	585,583	786,595
Institutional Advancement		419,752	57,850	12,435	103,578	9,976	583,639	644,905
Financial & Registration Services		530,974	109,763	7,973	68,825	48,180	669,355	691,659
Gymnasium facility		80,420	8,552		4,805	11,549	82,228	88,888
Human Resources		296,428	126,294	8,261	75,749		506,732	495,027
Institutional membership fees					22,363		22,363	20,525
Print/Mail Services		65,925	9,762		69,451	111,429	33,709	(7,133)
Professional fees					121,401		121,401	48,620
		2,179,996	447,220	60,588	787,317	544,278	2,930,843	3,074,804
Miscellaneous Initiatives								
B.J. Hales Museum		13,788	2,623		366	3,230	13,547	14,545
Bran-U-Day Care subsidy					4,714		4,714	4,854
Office of International Activities		49,504	8,466	11,776	22,845		92,591	77,879
English for Academic Purposes		123,127	13,038	539	8,765	183,913	(38,444)	(8,347)
Research development/buyouts/USRA					51,125		51,125	18,507
Other		44,672			99,071		143,743	165,940
BGS Program					8,592		8,592	9,330
Junior Kindergarten		37,784	5,135		2,092	35,322	9,689	3,879
Recruitment & promotion					45,248		45,248	38,218
Campus Manitoba	80,046		6,365	1,251	223		87,885	88,163
Rural Development	106,988	32,350	21,023	7,870	19,006	833	186,404	183,619
University scholarships					202,396		202,396	154,514
CIDA/International Scholarships					66,697		66,697	50,911
	187,034	301,225	56,650	21,436	531,140	223,298	874,187	802,012
Physical Plant								
Plant maintenance		473,218	114,034	14,598	214,412	18,649	797,613	706,804
Steam Plant		57,732	9,126		21,327		88,185	91,023
Buildings & grounds		527,101	138,128		63,318	11,217	717,330	704,908
Insurance					156,127		156,127	157,649
Security					44,860		44,860	41,779
Service Contracts					33,309		33,309	39,405
Property Taxes					499,893		499,893	835,108
Utilities					942,523	77,324	865,199	651,200
		1,058,051	261,288	14,598	1,975,769	107,190	3,202,516	3,227,876
Total Operating Expenses	$ 15,079,892	$ 7,936,612	$ 3,559,768	$ 882,596	$ 5,074,757	$ 1,350,536	$ 31,183,089	$ 29,658,060

Schedule 8
(unaudited)

Brandon University

Detailed Schedule of Ancillary Services
for the year ended March 31, 2006

	Bookstore	Food Services	Parking	Residence	Total 2006	Total 2005
Revenues						
Room and board fees	$	$ 973,921	$	$ 1,028,895	$ 2,002,816	$ 2,091,827
Conventions		57,317		68,842	126,159	245,627
Canteen and vending machines		137,933			137,933	128,173
Internal functions		74,574			74,574	77,631
Other	171,132	29,995	151,243	162,024	514,394	494,678
Book sales	1,868,629				1,868,629	1,768,039
Total Revenues	2,039,761	1,273,740	151,243	1,259,761	4,724,505	4,805,975
Expenses						
Salaries	226,246	442,322	67,564	170,389	906,521	905,190
Staff benefits	35,427	76,177	9,160	26,372	147,136	152,686
Cost of goods sold	1,464,635	459,351			1,923,986	1,874,427
Supplies and other expenses	112,481	109,601	41,888	518,866	782,836	726,385
Rent	34,743				34,743	34,743
Utilities		102,965	5,184	297,370	405,519	335,478
Students' Union share of Bookstore profit	73,850				73,850	82,505
Total Expenses	1,947,382	1,190,416	123,796	1,012,997	4,274,591	4,111,414
Net Gain from Operations before Specific Provision and capital acquisitions	92,379	83,324	27,447	246,764	449,914	694,561
Appropriated Specific Provision	(10,200)	(4,500)		(26,100)	(40,800)	(55,606)
Capital purchases & alterations	(8,329)	(75,666)		(31,282)	(115,277)	(56,302)
Net Gain	$ 73,850	$ 3,158	$ 27,447	$ 189,382	$ 293,837	$ 582,653